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XG Sciences Announces Investment and Partnership with Hanwha Chemical

January 8, 2011 (Seoul, Korea) –

XG Sciences and Hanwha Chemical announced today that the two companies had entered into a series of agreements to create a strategic partnership. Under the agreements, Hanwha Chemical purchased a minority stake in XG Sciences and obtained distribution rights for XG Sciences' products. The two companies also agreed to begin joint development of products for industries served by Hanwha or XG Sciences.

"We are honored that Hanwha Chemical chose XG Sciences as a partner and provider of graphene materials," said Michael Knox, the XG Sciences' CEO. "Hanwha is one of the top industrial groups in Korea. Their presence in the chemical, composites, energy, and nanotechnology industries in Asia and North America makes them a valuable partner for us and we look forward to incorporating our products with theirs." Knox commented that the Hanwha equity investment in XG Sciences represented a deepening of the relationship between the two companies, following the previously announced agreement between the companies to cooperate on research.

XG Sciences manufactures a new type of nanomaterial, under license from Michigan State University. The company's material, which it calls xGnP® Graphene Nanoplatelets, is an inexpensive material that can be used to improve the strength and performance properties of materials ranging from plastics to electronic components and batteries. The Company's products received a Nano50 Award when first introduced in late 2007 and were recognized with a Frost and Sullivan Innovation Award in 2009. For more information, visit: www.xgsciences.com

Hanwha Chemical is part of the Hanwha Group of companies headquartered in Seoul, Korea. Hanwha is one of the largest conglomerates in Korea, with sales of more than \$25 billion. They produce chemicals, munitions, plastics and similar materials for aerospace, automotive and consumer goods industries, with facilities throughout Asia and in North America. For more information, visit: <http://english.hanwhacorp.co.kr/>